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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

S0010075
TASK 2767
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February 3, 2009

Gene Henrie
956 S. Canyon Drive
Cedar City, Utah 84720

Subject: Reclamation Surety Required, Gene Henrie DBA Quality Crushing, Essex Mill Site Tailings Pond Reclamation, S0010075, Beaver County, Utah

Dear Mr. Henrie:

The Division finds your Notice of Intention to Conduct Small Mining for Essex Mill Site Tailings Pond Reclamation complete. Prior to conducting mining activities the Division must approve the reclamation surety. The reclamation surety is determined to be \$21,900 for the 4.97-acre project escalated to year 2011. The bond was calculated on the assumption of \$6,300 for the first acre, including a mobilization of a piece of equipment, and \$3,900 for each additional acre. This bond assumes regrading will occur at the end of the project to bring the waste pile to a stable configuration.

Please submit the reclamation surety and reclamation contract (see below) within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including cash, an irrevocable letter of credit, a certificate of deposit, or a surety bond. Please contact Penny Berry at (801) 538-5291 or e-mail bondcoordinator@utah.gov for assistance in completing this requirement and to obtain a copy of the reclamation contract.

Thank you for your cooperation to help finalize this permitting action. In reply, please refer to file number S0010075.

Sincerely,

Paul Baker
Mineral Program Manager

PB:tm:vs
Cc: rherbert@utah.gov
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